

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA * **CRIMINAL NO. 09-283**

v. * **SECTION: S**

DIONNE GARRETT *

* * *

FACTUAL BASIS

The defendant, **DIONNE GARRETT** (hereafter “the defendant” or “**GARRETT**”), has agreed to plead guilty as charged to the one-count Indictment charging her with wire fraud, in violation of Title 18, United States Code, Section 1343. In pleading guilty, the defendant admits the following facts as set forth below.

Should this matter have gone to trial, the Government would have proved beyond a reasonable doubt, through the introduction of competent testimony and admissibly tangible exhibits, including the testimony of special agents of the Federal Bureau of Investigation (“FBI”), employees of the American Red Cross (“Red Cross”) and others, the following facts to support the allegations charged by the Grand Jury in the Indictment now pending against the defendant, as well as the relevant history for sentencing purposes set forth below:

An employee of the Red Cross would testify that in the weeks and months after Hurricane Katrina, which struck southeastern Louisiana on August 29, 2005, the Red Cross maintained disaster recovery centers to assist victims of Hurricane Katrina. Through these recovery assistance efforts, the Red Cross provided financial assistance to residents displaced or otherwise affected by Hurricane Katrina. People affected by the storms were able to apply for a one-time only financial grant of up to \$1,565 from the Red Cross. To receive these funds, applicants needed to present identification to a Red Cross representative that indicated residence in an affected zone. Applicants were also required to swear and attest either that they had not applied for, or that they had not received, any undisclosed additional American Red Cross financial assistance at any other Red Cross assistance location.

Competent testimony would be introduced that once approved, the Red Cross made these disaster assistance funds available in one of several ways, including: (1) a personal check made payable to the applicant, authorized by the Red Cross, and delivered on-site or mailed through the United States Postal Service to an address provided by the applicant; (2) a Red Cross-issued “Discover” card, issued on-site and activated via phone by the applicant; (3) a Red Cross-issued Capital One Bank “Visa” card, issued on-site and activated via phone by the applicant; (4) a Red Cross-issued Client Assistance Card, which the Red Cross purchased from national banks and which operated in a manner consistent with credit/debit/ATM cards, issued on-site; (5) a personal check authorized by the Red Cross, issued by “Paychex, Inc.,” and mailed through the United States Postal Service from the state of New York to an address provided by the applicant; (6) a Red Cross-issued “Client Assistance Card (“CAC”),” which the Red Cross purchased from national banks and which operated in a manner consistent with debit/credit/ATM cards, issued on-site or mailed, then activated by the applicant after approval; (7) a Western Union money wire, sent to the applicant at local

Western Union outlets; (8) a traveler's check made payable to the applicant and delivered on-site; (9) a money order delivered to the applicant on-site; (10) a disbursement order, which include instruments that could be cashed at a bank or used to purchase goods and services at stores and hotels, delivered to the applicant on-site; or (11) cash, delivered on-site to the applicant.

A Red Cross employee would testify that the Red Cross purchased 200,000 "gift cards" from Discover, a credit card company. These gift cards were "loaded" with a specific amount of money, depending upon the applicant's qualifications. The cards were activated by the applicant's calling an activation hotline and were thereafter usable in a manner otherwise consistent with a debit/credit card

Testimony by an employee of the Red Cross and admissible exhibits would be introduced to prove that the defendant, **DIONNE GARRETT**, presented herself to Red Cross assistance centers in the Eastern District of Louisiana and elsewhere on sixteen (16) occasions between September 9, 2005, and October 6, 2005. On each visit, she applied for financial assistance and indicated that she had not received any other financial assistance from the Red Cross.

As a result of her false and fraudulent statements on these applications, the defendant, **DIONNE GARRETT**, received direct financial assistance from the Red Cross in one of the manners described above, totaling at least \$18,345.00, of which \$17,045.00 was fraudulently obtained. Competent testimony and admissible exhibits would be introduced to prove, further, that one of the occasions that **DIONNE GARRETT** applied for assistance was October 5, 2005. On October 5, 2005, the defendant applied for and received a Discover debit/gift card, numbered XXXX-XXXX-XXXX-0842, pre-loaded with \$1,565.00, issued by Red Cross at an assistance center located within the Eastern District of Louisiana. She received this assistance only after she specifically attested and swore that she had not received any other financial assistance from the Red Cross when, in fact, she

knew she had received such assistance prior to October 5, 2005. Through the testimony of an employee of the Red Cross, certain documents and exhibits would be offered and introduced into evidence to prove that the defendant's fraudulent application and actions directly led to the disbursement of the Discover debit/gift card..

An employee of Discover would testify, and admissible records would be submitted to prove, that on or about October 7, 2005, the pre-loaded Discover debit/gift card, numbered XXXX-XXXX-XXXX-0842, issued by Red Cross to the defendant, **DIONNE GARRETT**, was used in the Eastern District of Louisiana at "Milano's, Inc." located in Slidell, Louisiana. This use, in turn, caused certain writings, signs, signals, and sounds to be sent from the point of use in Slidell, Louisiana, to a data center outside the state of Louisiana, authorizing the defendant, **DIONNE GARRETT**, to purchase items at Milano's, Inc. located in Slidell, Louisiana.

APPROVED AND ACCEPTED:

JORDAN GINSBERG
Assistant United States Attorney
Illinois Bar Roll No. 6282956

Date

DIONNE GARRETT
Defendant

Date

EDWIN WAYNE WALKER
Attorney for the Defendant
LA Bar Roll No.

Date